UNIT 2

PRINCIPLES AND POLICIES OF AIR FORCE SERVICE CONTRACTING (AFI 63-124)

OBJECTIVES

- Explain the importance of conflicts of interest and standards of conduct
- Discuss the principles of OMB Circular A-76
- Identify basic principles of contract law
- Explain unauthorized commitments
- Explain the Freedom of Information Act

STANDARDS OF CONDUCT

- **Government Standards of Conduct**
- **Bribery**
- **Gratuities**

PRINCIPLES OF SERVICE CONTRACTING

Service Contract

One which directly engages a contractor's

time and effort whose primary purpose is

to perform an identifiable task rather than

furnish an end item of supply

OMB CIRCULAR A-76

- **Prescribes three distinct concepts**
  - **Achieve economy and enhance productivity**
  - **Retain governmental functions in-house**
  - **Rely on the private sector**

CONTRACT LAW

- **Law of Agency**
  - **Principle**
  - **Agent**
  - **Third Party**

- **Implied Authority**
- **Expressed Authority**

The Contracting Officer

- **Ensure all legal and regulatory guidance is followed**
- **Ensure adequate funds are available**
- **Ensure contractors are treated fairly and impar**

UNAUTHORIZED COMMITMENTS

An agreement that is not binding solely

because the government representative who

made it lacked the authority to enter into

agreement on behalf of the

government

RATIFICATIONS

The act of approving an unauthorized commitment by an official who has the authority to do so

Certain circumstances must exist before the ratifying authority can ratify an unauthorized action

Ratification Process

- **Statement of Facts**
- **Commander’s Actions**
- **Contracting Officer’s Actions**
- **Ratification Authority**

Freedom of Information Act

Specifies how federal agencies will make their records available for public review

CONCLUSION

- **Explain the importance of conflicts of interest and standards of conduct**
- **Discuss the principles of OMB Circular A-76**
- **Identify basic principles of contract law**
- **Explain unauthorized commitments**
- **Explain the Freedom of Information Act**